



ENERGY AND
ENVIRONMENT CABINET

Abandoned Mine Lands
Economic Revitalization Program
Application Assistance

Presented by Abandoned Mine Lands

Kentucky Division of Abandoned Mine Lands

Overview

- Part of the Department for Natural Resources within the Energy and Environment Cabinet.
- AML was craft as part of the Surface Mining Control and Reclamation Act (SMCRA) legislation to reclaim hazards from mining conducted prior to May 18, 1982.
- AML is 100% Federally Funded. Coal operators pay a tonnage extraction fee to the federal government which goes into the AML Trust Fund. A portion of that funding is distributed annually to states and Tribes.

Abandoned Mine Lands Funding and Programs

- The Abandoned Mine Lands Program and the AML Reauthorization fund were created to address the inventory of hazards directly related to pre-May 1982 coal mining. The funding is derived from coal taxes and made available annually to eligible states and tribes.
- AML Reauthorization funds can also be set aside to develop projects for the Acid Mine Drainage Program.
- The Infrastructure Investment and Jobs Act (IIJA) has provided additional funding to address hazards related to eligible historic coal mining.
- The Consolidated Appropriations Act, 2023, included an amendment to section 40701 of the IIJA that authorized eligible States and Tribes to deposit up to 30 percent of their annual IIJA abandoned mine land (AML) grant amount in a long-term AML reclamation fund established under State or Tribal law to address issues related to AMD, subsidence, and coal mine fires.
- Both AML Reauthorization and IIJA funds allow for funding in the Water Supply Restoration Program, for the purpose of protecting, repairing, replacing, constructing, or enhancing water-related infrastructure adversely affected by historic coal mining.
- The Bond Forfeiture (BF) Reclamation Program focuses on the reclamation of post-May 1982 coal mining, where the permitted coal operator failed to comply with Federal and State Laws regarding reclamation practices. The posted reclamation bond is forfeited to the Commonwealth.
- The Abandoned Mine Lands Economic Revitalization (AMLER) Program was established in 2016. This program is granted from the federal general fund and administered by AML. AMLER funds are utilized to design, develop, and create projects, which encourage economic development in communities impacted by the downturn in the coal economy.

AMLER Program Details

- Unlike other AML programs that focus on remediation of hazards or reclamation, the AMLER program is focused on community development and economic growth.
- Funding of the AMLER program is determined annually as part of the federal budget. If appropriated, funds are made to the states and tribes for administration.
- Each year Kentucky AML accepts applications in anticipation of AMLER funding.
- AMLER funding has been awarded every year since 2016 with Kentucky receiving over \$280 million in total.
- AMLER awards are competitive. Each year AML receives an average of 67 applications with an average of 11 being selected.

AMLER Application Process

- Applicants submit their applications to AML staff by the closing date/time.
- AML staff document and organize submissions and conduct preliminary reviews for completeness.
- The Kentucky Energy and Environment Cabinet Secretary reviews and selects applicants.
- Selected applications are then subjected to full mine history evaluations and vetting.

AMLER Project Progress

- Once vetted, the awardee will enter into a Memorandum of Agreement (MOA) with the Cabinet. The MOA is essentially the contract, delineating the terms of the project.
- Following MOA execution, projects enter a design phase followed by environmental study.
- Once the environmental review is completed, the project proposal is submitted for Authorization to Proceed (ATP) review.
- Project implementation may begin once ATP is received.

While each individual project can have a different timeline to completion, the process between application and project completion is lengthy, often spanning 3-4 years. For this reason, many applicants choose, when possible, to use other funding for items or steps they need quickly and utilize AMLER funds for items occurring later in their project scope. An example of this might be, using other funds for the design and construction of a site and then using AMLER funding for equipment or furnishings.

What Makes a Good AMLER Project?

- Eligibility
- Practical Plan
- Realistic Metrics
- Partners
- Leadership
- Clean and Concise Application

AMLER Application Eligibility

The first consideration to a good application is eligibility.

To be eligible, AMLER projects must have:

- Nexus to AML eligible mining.
- An economic benefit.

AML Nexus

AML Nexus – A required characteristic of AML relatedness for applications to be deemed eligible for selection.

- Previously reclaimed AML lands and polluted waters. Examples:
- Land adjacent to unreclaimed or previously reclaimed AML lands and polluted waters as justified by the State, Tribe, and/or the communities impacted by historic coal production.

To define the nexus, it is important to understand the difference between “abandoned” and abandoned. Often people mistakenly think all inactive mine sites are abandoned. This isn’t true. Just because a site has been inactive for a long time does not mean it is Abandoned. Remember, the site must be related to historic mining- mining that was concluded prior to May 18, 1982.

Is your site on or adjacent to historic mining? Perhaps your project is located in a community that has been historically mined and impacted by the downturn in the coal economy. If you aren’t sure, here are 2 great tools you can use to locate those sites. They are both located on our website for your convenience.

- <https://amlis.osmre.gov/> Displays known AML eligible problems.
- [AMLER Search Tool \(arcgis.com\)](#) Displays the AMLIS layer as well as underground and surface mining boundaries, both active and inactive. This tool can help you determine if a site is located on a currently permitted Title V mine boundary. Currently permitted Title V mine sites are not eligible to receive AMLER funds.

Practicality

Proposals for AMLER funding should be practical in what they plan to achieve.

Typically, AMLER projects fall into one of these 7 categories:

- Industrial – Job growth or job retention
- Infrastructure – Supply lines to areas for spurring development
- Micro and Macro Scale Applications
- Tourism – Micro and Macro Scale Applications
- Education – A focus on retraining those impacted by the economic downturn
- Agritech – Innovation in food production
- Community Wellness – Think hospital projects that often have job growth or enable retention.

Overall goal – economic development in the community

Measurable Economic Benefit

An application/project's economic benefit must be quantified in a measurable way. We call these, metrics.

What Is a Measure of Success for your Project? They can be quantitative or qualitative. Either way, they have a number value to be tracked.

- Quantitative Measurements
 - Jobs Created
 - Clients Served
 - Acres or sites reclaimed
- Qualitative Measurements
 - Services Offered
 - Events held
 - Benefits to the community

Examples of Metrics

Not everything trackable is equal. Here are some good and not so good metrics.

Good metrics are those that are a direct result of this project.

- Long Term Job Creation or Job Retention
- Increase in visitors
- New or increase medical / health opportunities
- Increase in revenue
- Increase in students or skilled laborers
- Increase in production
- Cost Savings
- New or Improvement of Services

Less desirable metrics are things like temporary jobs. Yes, all jobs are nice but temporary jobs aren't going to have a lasting impact.

- Temporary Jobs
- Indirect jobs. Performance metrics must be reported on an annual basis therefore listing indirect jobs leads to speculation and a higher chance of inaccuracy.
- Square footage, yardage, acreage etc. You can include information regarding an expansion in your project description but leave it off the metrics. Instead, report how the expansion is beneficial. For example, if you are adding 5,000 S.F. to a building, will the extra space enable you to treat more patients? Will you be able to fit in more students? Will you be able to add new inventory or equipment that will boost your revenue? Those are preferable metrics.

Project Partners

Having the right team is crucial. Applicants often partner with their local government, Area Development Districts, and others to ensure the success of their project. Having the right partners demonstrates your commitment and provides accountability!

Project Administration

A crucial part of these projects is the project administrator/manager. This person will have to prepare and submit monthly reports and invoices, conduct monthly meetings, review documentation prior to submission, and help you follow procurement law. If you feel you may need a grant manager, be sure to include grant administration as a bid item on your application. Typically, grant administration is no more than 2.5% of the AMLER award, or \$50,000 maximum.

There are many options for project administration, such as Area Development Districts, Fahe, county and city governments, and private grant writers. While employing grant management services is not mandatory, it is highly recommended.

Leadership

The aforementioned myriad of project partners work together to accomplish the goals of your project but there needs to be a driving force. Successful projects have one person to lead the charge who is in it for the long haul.

Think of this as your project needing a captain to motivate your team and keep everyone on target.

Favorable Characteristics

Keys to a “good” application include:

- Professional – Take time to review your application for errors. AML does not check for errors. What you submit is considered the final submission.
- Do not leave sections empty. If it does not apply to your project, enter N/A.
- Clearly defined proposal – Make sure the application explicitly conveys your goal and how funds would be used.
- Consideration – Your proposal should be well thought out, not appear as a ‘half plan’.
- Demonstrate Need – How is this particular idea different from others and why is it needed?
- Significant Job growth within the region
- Encouraging significant tourism development, adventure tourism, re-training of displaced coal miners, and/or water, sewer or gas infrastructure to industrial areas
- Sustainable projects that will be self-sufficient after funds are no longer available
- Innovative and practical projects. There is no minimum or maximum grant request amount.

Submission Requirements

- Applications are due by 4:00 p.m. eastern standard time on the date listed on the application.
- The application must be in pdf format.
- Application and supporting documents are to be submitted by email. Email size should be limited to 8MB.
- At least one (1) geographic map noting the proposal site must be included in the submission email. Acceptable formats include JPG, GIF, TIF, or PNG.

AMLER Funding Requirements

As with all federal funding, there are requirements and strict guidelines. AML recommends applicants review these requirements prior to submission of application.

- For information regarding AMLER, FAQs, Program Terms, previously awarded grants, and links to Area Development Districts, Model Procurement, Real Property Purchase Guidelines visit eec.ky.gov/aml
- A “Nexus,” or connection to historic mining (mining having concluded prior to May 18, 1982), is required for grant eligibility. Known eligible abandoned mine lands are identified on eAMLIS (<https://amlis.osmre.gov/>).
- AMLER grant-funded projects are now subject to the [Build America, Buy America \(BABA\) Act](#) that was enacted as part of the Bipartisan Infrastructure Law in 2021.

AMLER Funding Guidance

The [Guidance for Project Eligibility Under the AMLER Program](#) document shows how AML and its grantees manage AMLER grants. A copy can be found on the [DAML website](#).

The document details the portions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards that are applicable to AMLER grants. In particular:

- 2C.F.R. 200.0 – 200.1
- 2C.F.R. 200.100 – 200.113
- 2C.F.R. 200.303
- 2C.F.R. 200.331 - 200.333
- 2C.F.R. 200.500 – 200.521

The document also outlines requirements for:

- Eligibility
- Reporting
- Build America, Buy America
- Project Benefits, Expected Outcomes or Performance Measures
- Economic and Community Development
- Environmental Compliance
- Use of Funds and Leveraging Other Funding Sources

The Application

The AMLER application's sections are arranged by the type information. They include:

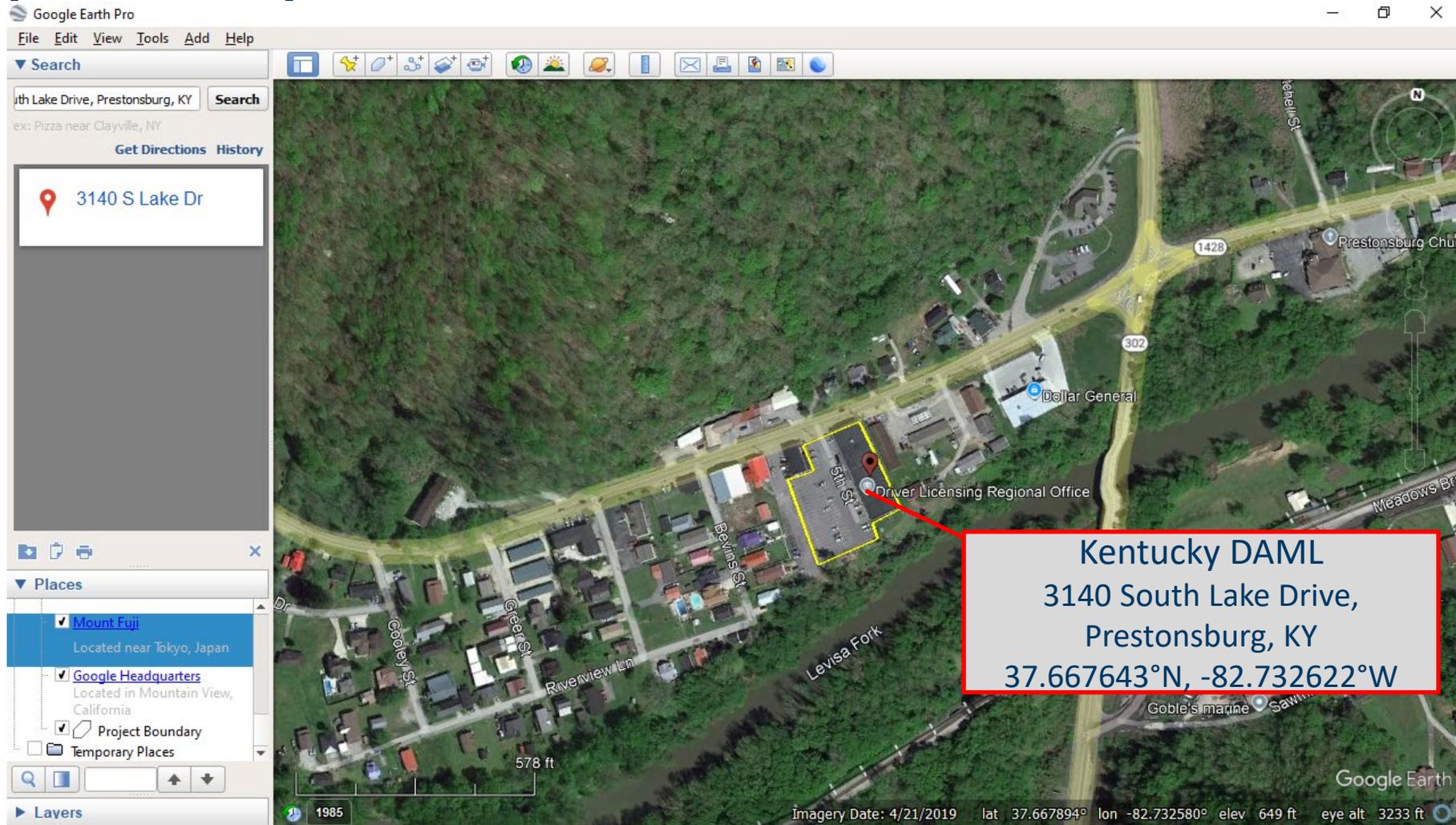
- General Information
- Project Overview
- Project Funding
- Economic Revitalization
- Proposal Considerations
- Signature
- Submission Instructions

The Application – General Information

The first sections of the application gather general information regarding the location and applicant.

- Project Title: This should be descriptive with what AMLER funding will accomplish without being convoluted.
 - Example: 'X' County Water Park Expansion
- Location: It is crucial AML knows the location of the proposed project as it affects eligibility. Please be sure to verify the location.
 - While some projects span multiple counties, please only list the county to see the greatest benefit. The project description can mention the project impacts other counties, but for data collection purposes, please only select one.
 - Be sure to enter your coordinates in decimal degree format (ex. 37.12345°N, 86.75309°W). To convert degree minutes seconds to decimal degree, visit: <https://www.fcc.gov/media/radio/dms-decimal>. Please enter these into your choice of map software to verify location.
 - The mandatory site map attachment should clearly display the location, name of proposal, address, and GPS.
- Applicant and Management Information: Please be sure the contact information is correct without typos. AML will use the information here for notifications. If the applying entity/representative changes prior to selection, please notify AML.

Map Example



The Application – Project Overview

It is imperative the application contains a clear, concise description of your overall plan and how AMLER funds will be used to achieve it. Often there is confusion between what constitutes “the project.” Applicants tend to refer to their overall grand plan as the “project” while AML uses the term to refer to only the work AMLER will conduct. Naturally, AML is interested to hear the overall project plan, but you also need to explicitly state what components of the plan would be AMLER funded.

- Example of a clear and concise project description: “The City of ‘X’ proposes to construct bike paths throughout the city, install 12 bike racks, and purchase 25 traditional and 25 e-bikes for the creation of a new rental service. AMLER funds would be used for design costs, administrative fees, equipment maintenance and equipment replacement. Other secured funding sources would provide for the construction of the bike paths. Installation of these amenities would allow area residents an alternative mode of transportation. Local polling revealed a lack of transportation as the leading barrier to gainful employment within the area. The city anticipates this action would make strides to overcome this hurdle while promoting wellness. Creating a web of dedicated bike routes connecting the city to local popular bike trails would also further promote tourism. The dedicated paths would encourage visitors to venture into the town businesses. The rental fees will be utilized to maintain and replace equipment, as needed. Economic benefit can be measured in the number of bike rentals and increased visits to the city’s tourism office.”

The Application – Project Funding

These sections gather an overview of the proposal, how AMLER grants will be used, and what the funds will accomplish.

- **Budget Summary:**
 - Items within the budget summary can be grouped by category and item type. A more detailed itemization will be requested if selected for funding.
 - The project item cost column is just an estimation. We recommend consulting with vendors or other professional services to obtain realistic estimates. Consider also the likelihood of inflation. As these projects take time, possibly 2-3 years before implementation, costs may increase. AML recommends factoring this into your funding request.
 - Consider your professional service needs such as Administrative Costs, Engineering/Architectural, and Third-Party construction inspection. Administrative costs should be limited to 2.5% of the AMLER award, up to \$50,000. AML recommends utilizing the Rural Development Engineering/Architectural Fee calculator to determine design service estimates.
- **Other Funds: Do not include AMLER funding in the Other Funding Section.**
 - Funding sources may be grouped by type. For example, if a project has been awarded three ARC grants, only list ARC once and combine the totals.
 - If the status of the funding changes between submission and project selections, please notify AML of the change.

The Application - Economic Revitalization

The Economic Revitalization portion of the application demonstrates the proposal's potential economic benefit.

- Metrics are the measurable value used to assess a project's success. These are reported annually to track project outcomes.
 - Only list the three most impactful metrics. These should be realistic, not inflated.
 - Do not include temporary metrics.
 - These should be long-term/permanent.
 - Only include metrics anticipated to be met using AMLER funds.
 - Do not list metrics used on another AMLER project.

The Application – Proposal Considerations

The Proposal Considerations section helps to understand more about the location, such as land ownership, infrastructure, and confirmation of nexus.

- If the applicant does not currently own the location, please include a lease agreement, land purchase agreement, or other similar documentation explaining usage permission.
- The infrastructure section is important to understand what is currently on-site, what is needed, and confirmation the utility company can support the additional service.

The Application - Submission

The final page of the application includes instructions on submission. To submit, send the following items by email to Ian.Rison@ky.gov and Hannah.Radosevich@ky.gov:

- **Completed Application.** **Please submit in PDF format** and include the project name in the file title. Handwritten copies will NOT be accepted.
- **Location Verification/Maps.** Please submit at least one geographic map of the site location. This map must be in an image file format (JPG, GIF, TIF, or PNG). The map must include:
 - Clearly marked site location
 - GPS Coordinates in decimal degree format. (Conversion: <https://www.fcc.gov/media/radio/dms-decimal>)
 - Outline of the project boundary
 - Any other necessary descriptive information
- **Supporting Documents.** Label and title any supporting documents with the name of the application and section to which they relate. For example: *Coal Site Development Grant Proposal – Section 19: AML Nexus.*
 - Attachments may be in any format but may NOT exceed the 8MB file size limit.
 - Examples of supporting documents may include:

Letters of Intent	Letters of Support
Project Plans/Details	Brochures/Pamphlets
Media coverage articles	Equipment specifications
Visual examples of similar projects	Professional project proposals
Property agreements	Any documentation establishing a nexus to historic mining.

Additional Resources

- Applicants are encouraged to review the collection of resources available on the AML website.
- AML also offers one-on-one application assistance annually during the application period. Dates for the in-person and virtual meetings are posted on the website, along with a link for registration.
- Applicants can also find assistance through professional grant writers located within Area Development Districts, Fahe, and local governments.



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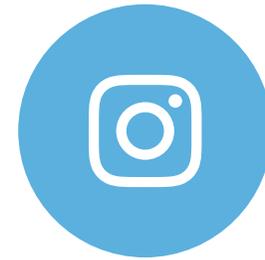
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